

**CALENDAR ITEM
C76**

A 37
S 19

06/29/15
PRC 4942.9
D. Simpkin

**TERMINATION AND ISSUANCE OF A
GENERAL LEASE – PUBLIC AGENCY USE**

LESSEE:

City of Santa Barbara

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, east of Stearns Wharf and the Santa Barbara Harbor, City of Santa Barbara, Santa Barbara County.

AUTHORIZED USE:

Continued use and maintenance of one 48-inch diameter sewer outfall pipeline, and maintenance of one 42-inch diameter non-operational wastewater outfall pipeline, diffuser, rock ballast, and anchors.

LEASE TERM:

25 years, beginning June 29, 2015.

CONSIDERATION:

The public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interests.

OTHER PERTINENT INFORMATION:

1. On August 29, 1974, the Commission authorized issuance of Permit No. PRC 4942.9, a Public Agency Permit, to the City of Santa Barbara (City), for a period of 49 years, for the construction and maintenance of a 48-inch diameter sewer outfall pipeline. The outfall pipeline currently discharges effluent from the City's El Estero wastewater treatment facility.
2. On April 13, 1999, the Commission authorized an amendment to the lease to include one 42-inch diameter non-operational wastewater outfall pipeline that the Lessee designed and constructed in the 1920s and subsequently abandoned in place.
3. The City is now proceeding with repair and maintenance activities associated with the reactivation of the existing Charles E. Meyer

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Desalination Plant located in the City of Santa Barbara. The facility, which operated only for a few months between March and June 1992, has remained in long-term standby mode since 1992, and is not currently producing drinking water for the City. On February 1, 2014, the City declared a drought and now wishes to reactivate the desalination facility. The desalination facility intake structure and all offshore proposed repair and maintenance activities are located within lands legislatively granted to the City and outside the Commission's jurisdiction.

4. In order to complete a financing agreement with the State Water Resources Control Board, the City must control the premises for the duration of the agreement. As such, the City is requesting the termination of the existing permit and the issuance of a General Lease – Public Agency Use, for a term of 25 years.
5. The 48-inch diameter pipeline will be used to discharge up to 12.5 million gallons per day of brine from the Charles E. Meyer Desalination Plant. This brine will be comingled with the current wastewater discharge effluent from the City's El Estero wastewater treatment facility. The outfall pipeline requires no repairs or physical changes associated with reactivation of the desalination facility.
6. The section of the 42-inch pipeline located on sovereign land is not currently in use, and is not part of the desalination facility. The City will be required to submit a plan for Commission review and approval on or before June 29, 2018, addressing the removal or other disposition of this part of the pipeline and any other associated improvements.
7. On June 16, 2015, the City analyzed the reactivation of the Charles E. Meyer Desalination Plant by preparing and adopting an Addendum to two Environmental Impact Reports: (1) the first EIR (State Clearinghouse [SCH] 9010859), which was certified on March 15, 1991, analyzed the construction and operation of the desalination facility as a temporary emergency project; (2) the second EIR (SCH 91121020), which was certified on May 24, 1994, analyzed the City's Long-Term Water Supply Plan and reviewed the transition of the desalination facility to a permanent part of Santa Barbara's water supply. In the June 2015 Addendum, the City found no significant impacts prior to mitigation associated with discharging commingled brine and wastewater through the 48-inch diameter outfall pipeline.
8. **Lease Termination:** The staff recommends that the Commission find that the subject lease termination does not have a potential for resulting in

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either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

9. **Issuance of Lease:** The Commission staff has reviewed the City's June 2015 Addendum and both of the EIRs certified in the 1990s, and recommends, based on substantial evidence in the whole of the record, that the Commission find commingled discharge of brine and effluent from the outfall would not result in any significant environmental impacts and thus no mitigation is required. Since no significant impacts would result from the Commission's approval of the lease, the Commission is not required to adopt a Mitigation Monitoring Program or Findings to conform with California Code of Regulations, Title 14, sections 15091 and 15096, subdivision (h).
10. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Lease Termination: Find that the subject lease termination is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

Issuance of Lease: Find that an Addendum to two EIRs was prepared and adopted for this Project by the City of Santa Barbara on June 16, 2015. Find that the two EIRs, SCH Nos. 9010859 and 91121020, were prepared and certified by the City of Santa Barbara on March 15, 1991,

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and May 24, 1994, respectively, and that the Commission has reviewed and considered the information contained therein together with the Addendum.

Determine that in the Commission's independent judgment, the Project as approved, will not have a significant effect on the environment.

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

1. Authorize termination of Permit No. PRC 4942.9, a Public Agency Permit, to the City of Santa Barbara, effective June 28, 2015.
2. Authorize issuance of a General Lease – Public Agency Use to the City of Santa Barbara beginning June 29, 2015, for a term of 25 years, for the continued use and maintenance of one 48-inch diameter sewer outfall pipeline and maintenance of one 42-inch diameter non-operational wastewater outfall pipeline, diffuser, rock ballast, and anchors, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration being the public benefit with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interests.

EXHIBIT A

PRC 4942.9

LAND DESCRIPTION

Two parcels of tide and submerged land, each 20 feet in width, situated within the City of Santa Barbara, County of Santa Barbara, State of California, described as follows:

PARCEL 1

A strip of land 20 feet in width, lying 10 feet on each side of the following described centerline:

Beginning at a point that bears S 44° 42' 35" E, 406.50 feet from a 2 inch California Department of Transportation Brass Cap, having California Coordinate System (NAD27) coordinates of N = 337183.340 feet and E = 1492509.486 feet and designated R.P. #54 on those certain Monumentation Maps filed in Book 2 of State Highway Monumentation Map Book at page 170; thence S 20° 08' 23" E, 3978.78 feet.

EXCEPTING THEREFROM that portion granted to the City of Santa Barbara as described in Section 3, Chapter 13, Statutes of 1937.

ALSO EXCEPTING THEREFROM any portion lying landward of the ordinary high water of the Pacific Ocean.

PARCEL 2

A strip of land 20 feet in width, lying 10 feet on each side of the following described centerline:

Beginning at a point that bears S 53° 40' 01" W, 577.49 feet from a 2 inch California Department of Transportation Brass Cap, having California Coordinate System (NAD27) coordinates of N = 337183.340 feet and E = 1492509.486 feet and designated R.P. #54 on those certain Monumentation Maps filed in Book 2 of State Highway Monumentation Map Book at page 170; thence S 41° 57' 36" E, 8720.00 feet.

EXCEPTING THEREFROM that portion granted to the City of Santa Barbara as described in Section 3, Chapter 13, Statutes of 1937.

ALSO EXCEPTING THEREFROM any portion lying landward of the ordinary high water of the Pacific Ocean.

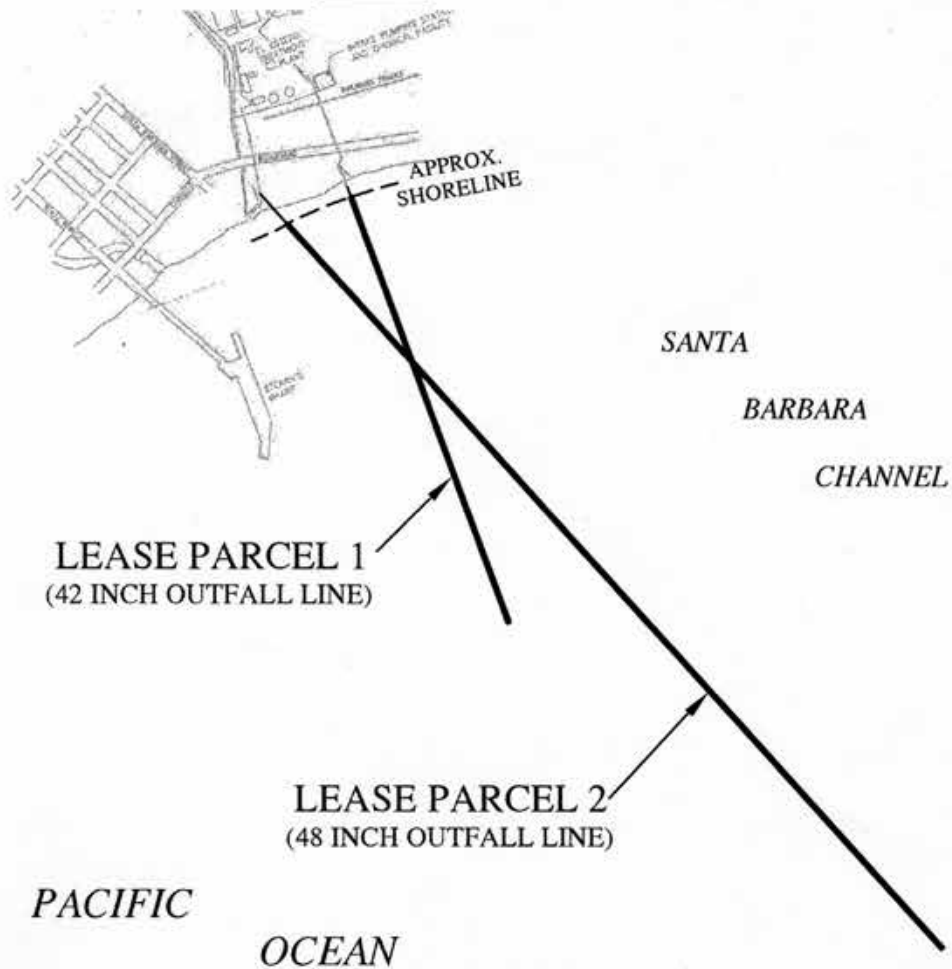
Coordinates, bearing and distances used in the above description are based on the California Coordinate System, Zone 5, (NAD27).

END OF DESCRIPTION



NO SCALE

SITE



SANTA BARBARA CHANNEL, CITY OF SANTA BARBARA

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit B

PRC 4942.9
CITY OF SANTA BARBARA
GENERAL LEASE -
PUBLIC AGENCY USE
SANTA BARBARA COUNTY



TS 06/15/15